

U.S. SENATOR BEN CARDIN'S COUNTY & MUNICIPAL GOVERNMENT GUIDE TO

CONGRESSIONALLY DIRECTED SPENDING (EARMARKS) FOR FY23



CONGRESSIONALLY DIRECTED SPENDING

This guide provides an overview of the existing funding opportunities available to county and municipal governments through Congressionally Directed Spending, also known in the House of Representatives as Community Project Funding requests (earmarks). Earmarks provide one-time, not multi-year, funding.

For the first time in more than a decade, Congress has revived the practice of earmarking federal funding to support local community projects for Fiscal Year 2022. Congress has yet to complete the first full cycle of funding earmarks, so the current policies established by the Senate Appropriations Committee that this guide references may be modified or the earmark practice may be entirely discontinued in future budget years. These guidelines are predicated on the current policy announced by the Senate Appropriations Committee. If unchanged, the procedures outlined in this guide likely will be followed in the Fiscal Year 2023 Budget Year. It is anticipated that a large number of projects will be requested, but only a limited number can be funded due to Committee rules limiting the amount of earmarks.

Generally, project eligibility requirements for funding are the same as for competitively awarded projects through existing federal grant programs but are subject to change. Additional information on specific eligibility requirements can be found on the latest competitively awarded grant's Notice of Funding Opportunity through the federal agency's website **grants.gov**. A limited category of earmarks may require the approval or support of the project by Maryland State agencies prior to Senate consideration for federal funding.

I strongly encourage you to set up a meeting as soon as possible with my staff so they can share further guidance on how to advance your jurisdiction's priorities and apply for earmarks for the upcoming fiscal year in late spring. To set up a meeting, please email MDlocal@cardin.senate.gov for assistance.

TABLE OF CONTENTS

| Construction and Rehabilitation of Community Infrastructure | 5 |
|---|----|
| Transportation and Dredging | 7 |
| Criminal Justice and Emergency Operations | 9 |
| Health Care Services and Facilities | 11 |
| Vulnerable Residents | 13 |
| Small Business and Workforce Development | 14 |
| Broadband Expansion | 15 |

BASIC PROJECT INFORMATION REQUIRED FOR CONSIDERATION

Basic Project Information Required

The Senate Appropriations Committee requires all earmark requests to provide the following information for initial consideration of the requests.

- Official Project Name
- Project Purpose
 - This is a short description of the project that will be made public in Congressional disclosures for both requested and funded earmarks.
- Justification
 - This provides a longer, 250 word summary of the project including its intended purpose, history, goals and performance standards, current status of the project, and justification for why the project is a worthwhile investment for taxpayers.
- Project Budget
 - This should outline the total cost of the project and how funds will be spent, such as on salaries, programming, equipment, etc.
- Project Financing
 - Requests should provide a full accounting of the non-earmark funding dedicated to the project, including non-federal funding such as state, county, or municipal general funds, nonprofit funding, or financing mechanisms.
- Timeline to Completion
 - While completion of projects is not required within the fiscal year the earmark funds are requested, the Senate Appropriating Committee prioritizes funding projects that can be fully expended within one federal fiscal year (October 1 through September 30th) and allow the project to be completed during the fiscal year cycle.

SENATE EARMARK CONSIDERATION TIMELINE

01

Counties and municipalities submit requests to Senator Cardin by late March 2022 for FY23 earmark cycle.

02

Senate Appropriations reviews the submitted requests.

03

Senate Appropriations releases funding bills with earmarks to move forward.

04

Senate bill is conferenced with House of Representatives' bill.

05

Consolidated funding bill is signed into law with Senate and House earmarks.

06

Earmark funding is distributed to jurisdictions awarded earmarks.

CONSTRUCTION AND REHABILITATION OF COMMUNITY INFRASTRUCTURE

Construction and Rehabilitation of Community Facilities

- Economic Development Initiatives (EDI) or Community Development Block Grant (CDBG) Program
 - The EDI program allows Congress to earmark CDBG projects, projects must meet the same eligibility requirements under the existing CDBG authority.
 - Allowable activities include the acquisition of real property, construction and rehabilitation of community facilities, beautification of urban land, conservation of open spaces, natural resources, or scenic areas for recreational opportunities, demolition or removal of buildings, elimination of blight, housing projects, and projects to remove barriers that restrict the mobility and accessibility of elderly and handicapped persons.
 - Projects must primarily benefit the low-income and moderate income residents of a community and cannot be used for the acquisition, construction or rehabilitation of buildings for the general conduct of government, such as a town hall.
- U.S. Department of Agriculture Rural Development (USDA RD) Community Facilities:
 - This flexible account can be used to purchase, construct, make improvements to, or purchase equipment for community facilities in rural communities.
 - Allowable uses of funds include support for health care facilities, public facilities such as town halls, courthouses, or street improvements, community support services for child care centers, community centers, or fairgrounds, improvements to the facilities of emergency personnel, community educational services for museums, libraries, or private schools, food systems including community gardens, food pantries, and utility services for telemedicine and distance learning equipment.
 - Only rural communities with populations of 20,000 or less are eligible to compete for this funding source. The maximum federal share is up to 75 percent, the share non-federal share increases depending on applicant's population size and median income for local residents. To be eligible for a Congressional earmark, these projects be vetted by the Maryland USDA Director's office to verify that the project is eligible to receive funding.

National Park Services' (NPS) Save America's Treasures (SAT) Program

- The SAT program funds the preservation, rehabilitation, and conservation of nationally significant historic properties.
- Eligible properties include those listed as a National Historic Landmark, including those to be a contributing property within a National Historic Landmark district, or properties individually listed in the National Register of Historic Places for national significance, including those to be a contributing property within a nationally significant National Register Historic District.
- Properties listed at the state or local level for historic significance are not eligible for this program.

Community Infrastructure

- Environmental Protect Agency (EPA) State and Tribal Assistance Grants (STAG) for Water and Wastewater Infrastructure
 - The STAG program provides funding for the construction of, and modification to, municipal sewage or drinking water treatment plants, replacement of sewer and water pipes, activities to facilitate compliance with primary national drinking water regulations, and planning and design work.
 - The Committee will prioritize awarding projects on the Maryland Department of Environment's (MDE) State Intended Use Plan (IUP) that have been reviewed by MDE.
 - Only publically-owned or non-profit entity owned lines are eligible to compete for funds, a county or municipality cannot apply for repairs on behalf of a private individual.
 - There is a minimum 20 percent local cost share for earmarked projects.

TRANSPORTATION AND DREDGING

Transportation

The U.S. Department of Transportation (DOT) provides federal support for wide range of transportation projects across all modes of transportation. Most of this funding is provided to states, so it is important to note that nearly all transportation projects require coordination with the State and any applicable Metropolitan Planning Organization (MPO). The Appropriations Committee places priority on funding projects that are included in the Statewide Transportation Improvement Program (STIP), authored by the Maryland Department of Transportation.

Given their cost and complexity, many large scale transportation projects cannot be supported entirely through earmark funding, although earmarks may advance a component of a project or provide funding for planning and environmental review documents.

Grants-in-Aid for Airports

- This program supports projects that are eligible to receive funding through the FAA's Airport Improvement Program, which awards grants for planning and construction of airport infrastructure including the construction or rehabilitation of runways and taxiways; airfield lighting, signage and drainage; and safety improvements.
- FAA grants are provided directly to the airport, even if the airport is owned by the county or municipality.

Highway Infrastructure Program

 This program covers projects that are eligible for funding under the major federal surface transportation programs. Much of this funding is provided to states by formula, and any project seeking earmark funding will need support from MDOT. This program also includes <u>Transportation Alternatives Program</u>, which supports local priorities such as bicycle and pedestrian infrastructure.

• Transit Infrastructure Grants

 This category of funding includes a range of transit infrastructure projects, including projects that can compete for funding from the Federal Transit Administration's programs for buses and bus facilities, Low- or No-Emission Vehicle Program, the competitive grant program for ferry services in urbanized areas, technical assistance and transit workforce development, smart mobility, and climate resilience for transit.

Dredging

Through the U.S. Army Corps of Engineers (USACE), earmarks may fund projects to dredge waterways and harbors, provide the federal share of environmental studies of large projects, and conduct surveys to identify future dredging needs. To qualify for dredging by USACE, a project must be located in an existing federal channel or have a federal project authorization. It must also have a disposal site for dredged material identified and approved by the state.

Please contact my staff to identify opportunities to advance your Army Corps projects through earmark funding and through USACE's existing authorities outside of the Congressional earmark process at MDlocal@cardin.senate.gov.

CRIMINAL JUSTICE AND EMERGENCY OPERATIONS

Criminal Justice

The Department of Justice (DOJ) provides funding to local law enforcement agencies for the purchase of modern equipment and a wide range of criminal justice programs including law enforcement training, community relations, planning and evaluation, and other critical areas.

Department of Justice Byrne JAG Discretionary Projects

 This program has a wide range of allowable uses of funds, generally defined as providing additional personnel, equipment, supplies, contractual support, training, technical assistance, and information systems for criminal justice systems, including the development of new Law Enforcement Assisted Diversion (LEAD) programs.

DOJ COPS Law Enforcement Technology

- This grant program funds for the acquisition and deployment of technologies and automated systems to assist law enforcement agencies in investigating, responding to, and preventing crime.
- Allowable uses include both the acquisition of equipment and relevant support systems for the new equipment.

Emergency Operations

These projects, funded by the Department of Homeland Security's Federal Emergency Management Administration (FEMA), must include a written letter of support from the Maryland Emergency Management Administration (MEMA) verifying that the project is eligible to receive funding in order to be considered for an earmark.

Building Resilient Infrastructure and Communities (BRIC)

- This funds projects designed to address potential future disaster areas, including flood mitigation projects. Priorities for funding include projects that address public infrastructure, mitigate risk to community lifelines, incorporate nature-based solutions, or adopt and enforce the latest published editions of building codes.
- These projects maintain the authorized cost-share agreement of 75 percent federal funding, 25 percent local funding.

• Emergency Operations Center (EOC) Grant Program

- This program provides resources to ensure continuity of operations for command centers in major disasters, including for construction or renovation needs.
- Projects must meet the EOC Grant Program's environmental and historic preservation requirements to be considered for funding.
- These projects maintain the authorized cost-share agreement of 75 percent federal funding, 25 percent local funding.

HEALTH CARE SERVICES AND FACILITIES

Health Resources and Services Administration (HRSA)

HRSA provides funding to state, county, and municipal governments, as well as partner nonprofit health care providers, to enhance the ability of the local community to respond to pressing health care needs. Allowable activities include the construction of facilities, capital equipment purchases, health professions workforce development, and rural health needs.

Health Facilities Construction and Equipment

- This flexible account can provide federal funding to contribute towards the cost of construction, renovation, or capital equipment purchase for facilities for health, mental health, or substance abuse services, training of health professionals, or medical research.
- This may include hospitals; health centers and clinics; skilled nursing facilities; mental health centers; facilities for schools of medicine, nursing, or other health professions; and medical research laboratories.
- Funding may also be utilized to purchase capital equipment involved in patient care, such as lab equipment, x-ray machines, or other equipment with a useful life of more than a year and a unit cost of at least \$5,000 are permissible expenses.
- Earmarked funds are prohibited from paying for previously acquired equipment, and previously completed construction, or to pay for salaries or operating costs of the health care facilities. General feasibility studies for a health care facility are prohibited expenses, but architectural and engineering costs with an eligible construction project are a permissible use of funds.

Health Professions Education and Workforce Development

 HRSA funding may be utilized to improve the education and training of health care professionals.

Rural Health

- This account may fund project to improve health care in rural areas, including medical, dental, or mental health care services; health promotion and education; chronic disease management; telehealth services; and improvements to emergency medical services.
- Eligible applicants are only those county, municipal, or partner nonprofit health care providers that service communities to meet HRSA's definition of a rural community. Please see HRSA's Rural Health Grants Eligibility Analyzer to determine the specific eligibility for your project.

Substance Abuse and Mental Health Services Administration (SAMHSA)

SAMHSA provides a wide range of funding to create or expand the capacity of state, county, and municipal governments, as well as partner nonprofit health care providers to provide mental health or substance abuse treatment or prevention programs for local residents, such as through crisis stabilization centers. No SAMHSA funding may be used for construction projects.

Mental Health

 Eligible SAMHSA Mental Health projects include those to support programs that promote the prevention or treatment of mental health disorders, including rehabilitation, outreach, and other support services.

• Substance Abuse Treatment

• This account provide resources to enhance programs that improve access, reduce barriers, and promote high quality, effective treatment and recovery services.

Substance Abuse Prevention

 Allowable uses of funds for this program include projects to prevent the onset of illegal drug use, prescription drug misuse and abuse, alcohol misuse and abuse, and underage alcohol and tobacco use.

VULNERABLE RESIDENTS

Administration for Community Living's Aging and Disability Services Programs

This office provides funding for projects to improve the ability of older adults and individuals of all ages with disabilities to live independently and participate fully in their communities. Generally, projects should focus on improving access to, or the quality of, education, training, support services, and independent living services for older adults and individuals with disabilities. Funds cannot be used for construction or renovation of facilities.

Administration for Children and Families Programs

Child Abuse Prevention

- This account funds projects to improve the prevention, assessment, identification, and treatment of child abuse and neglect through research, model service improvement, information dissemination, and technical assistance.
- Projects must serve or target abused and/or neglected children and their families.

Social Services Research and Demonstration

- Funds are available to promote the ability of families to thrive through financial self-sufficiency, and to promote the healthy development and greater well-being of children and families
- Projects can serve a diverse population including: low-income individuals, children, youth, families, individuals with developmental disabilities, and Native Americans.
- Funds cannot be used for construction or renovation of facilities.

SMALL BUSINESS AND WORKFORCE DEVELOPMENT

Small Business

The majority of programs within the Small Business Administration may be earmarked for county, municipal, and partner nonprofit governments to receive funding and support local small businesses. These grants can range from delivering services on entrepreneurial development, financial literacy workshops, small business incubators, and support for historically underserved businesses.

Earmark funds received under the authority of the Small Business Administration cannot be sub-granted to for-profit small business advocacy organizations for their own purposes, funds must be retained and utilized by the county, municipal, or partner nonprofit association to deliver services or trainings directly to small businesses.

Workforce Development

Under the Department of Labor's Employment and Training Administration authority, earmark funds may be used by county, municipal, partner nonprofit organizations, K-12 school systems, or institutions of higher education to enhance Workforce Innovation and Opportunity Act (WIOA) eligible activities. Eligible programs for funding include those designed to provide direct services to individuals to enhance their employment opportunities and training for locally available, in-demand, jobs, enhancing connections between a state and local workforce investment system, or evaluating existing workforce investment systems for potential future enhancements.

BROADBAND EXPANSION

Broadband Expansion

The U.S. Department of Agriculture (USDA) offers the Rural Development, Distance Learning, Telemedicine, and Broadband (DLT) program to provide resources for county and municipal governments to assist in connecting teachers and medical service providers with students or patients in another location. Only rural communities with populations of 20,000 or less are eligible to compete for this funding.

This program has a wide range of allowable uses of funds, including the purchase of capital assets including broadband facilities, audio, video, and interactive video equipment, terminal and data terminal equipment, computer hardware and software, and wiring and infrastructure services necessary for Distance Learning and Telemedicine purposes, and technical assistance and instruction for using eligible equipment.

These projects have a minimum 15 percent local match requirement.

Thank you for reading through. I encourage you to set up a meeting as soon as possible with my staff so they can share further guidance on how to advance your organization's priorities and apply for earmarks for the upcoming fiscal year in late spring. To set up a meeting, please email MDlocal@cardin.senate.gov for assistance.